



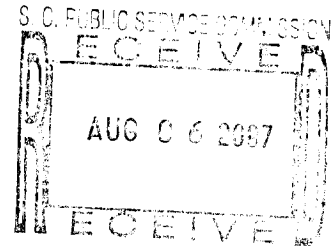
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2005-124-E

August 1, 2007

The Honorable Charles L. A. Terreni
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210



RE: Revised Duke Energy Schedules OL, PL and FL

Dear Mr. Terreni:

Enclosed for filing are an original and 10 copies of Duke Energy Carolinas' proposed lighting Schedules OL, PL and, FL for approval by the Commission. The schedules reflect revisions to close the availability of mercury vapor luminaries to new installations, to add a new metal halide luminaire on Schedule OL, to eliminate the charge for color improved lamps in new installations, to reduce the term of contract for nonstandard luminaries, and to clarify and simplify some of the footnotes. A description of the revisions is as follows:

Close Availability of Mercury Vapor Lighting

The Energy Policy Act of 2005 requires that mercury vapor ballast no longer be manufactured or imported into the United States after January 1, 2008. Duke Energy Carolinas, therefore, proposes to close the availability of requests for mercury vapor luminaries on Schedules OL and PL effective October 1, 2007 allowing through December 31, 2007 for the lights to be installed. This time frame will allow major projects already planned or underway to be completed without adverse customer impact.

With respect to existing mercury vapor luminaries, Duke Energy Carolinas plans to continue to replace mercury vapor light bulbs as long as they are reasonably available and believes they will continue to be manufactured for the foreseeable future. For lights that require replacement of the ballast, the repair will depend on the type of light. If the light will accommodate a compatible replacement ballast, Duke Energy Carolinas will replace the ballast, or fixture and ballast, with another type and maintain the mercury vapor bulb at no additional cost to the customer. If, however, the luminaire cannot be repaired using

one of these options, the Company will install the closest size high pressure sodium luminaire at the current price for the respective luminaire as stated on the rate schedule. If, for any reason, the customer objects to the change in light, either due to color or price, the Company will remove the light.

New Metal Halide Luminaire

Duke Energy Carolinas proposes to add a low wattage (100 watt) metal halide luminaire to Schedule OL to address potential customer desire for a "white" light source.

Color Improved Lamps

Due to the reduced cost of color improved mercury vapor lamps, the Company proposes to eliminate this charge on Schedule OL and PL for any lamps installed between October 1, 2007 and December 31, 2007. Additionally, as those existing color improved lamps are replaced in existing fixtures, the additional cost for the color improved lamp will be removed from the customer's bill.

Contract Term for Non-Standard Luminaries

Duke Energy Carolinas proposes to reduce the contract term for nonstandard lights from 20 years to 10 years on Schedules OL, PL, and FL.

Other minor changes in the schedules are designed to simplify or clarify footnotes, or are formatting, (e.g. moving the closed luminaries to the bottom of the list of options).

Duke Energy Carolinas would appreciate the Commission's consideration of these proposed changes at its earliest convenience so that customer communication and implementation plans can proceed. Thank you for your attention to this matter. Please let me know if you have any questions.

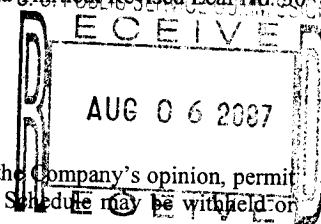
Sincerely,

A handwritten signature in black ink, reading "Catherine E. Heigel". The signature is fluid and cursive, with the first name being the most prominent.

Catherine E. Heigel

Enclosures

cc: John Flitter, Office of Regulatory Staff
Randy Watts, Office of Regulatory Staff
Lessie Hammonds, Office of Regulatory Staff

SCHEDULE FL (SC)
FLOODLIGHTING SERVICEAVAILABILITY (South Carolina Only)

Available to the individual customer at locations on the Company's distribution system which, in the Company's opinion, permit the use of bucket-type equipment for installation and servicing of facilities. Service under this Schedule may be withheld or discontinued at the option of the Company.

RATE:(A) Bracket-Mounted Luminaires

All-night outdoor lighting service using Company standard equipment mounted on standard poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire*</u>		
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (1)</u> * Plus .1233 cents/kWh	<u>New Pole</u> * Plus .1233 cents/kWh	<u>New Pole Served</u> <u>Underground</u> * Plus .1233 cents/kWh
High Pressure Sodium Vapor					
16,000	70	Floodlight	\$ 9.95	\$15.65	\$19.70
27,500	104	Floodlight	11.60	19.10	23.15
50,000	156	Floodlight	12.65	20.15	24.20
Metal Halide					
40,000	155	Floodlight	15.45	22.95	27.00

- (1) The "Existing Pole" rate is applicable to installations, including pole, installed prior to November 18, 1991. After November 18, 1991, the "Existing Pole" rate is available only for luminaires attached to poles which are not installed solely to support the luminaire.

(B) Underground Charges

- (1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
Over 150 feet	\$.07 for each increment of 10 feet, or less, over 150 feet	\$.07 for each increment of 10 feet, or less, over 150 feet

- (2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the monthly charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor.
- (4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) above, for an additional monthly charge of \$4.05 per pole. For installations over 150 feet per pole, the charges under (B) (1) above will apply in addition to the \$4.05 charge.

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

EXPLANATORY NOTES

- (1) Lamps will burn from approximately one half-hour after sunset until approximately one half-hour before sunrise. The Company will readily replace burned-out lamps and otherwise maintain the luminaires during regular daytime working hours following notification by the Customer.
- (2) Luminaires will be installed only on Company-owned poles, and all facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (3) Equipment (such as disconnecting switches) not supplied by the Company as standard is not available under this Schedule, and shall not be installed by the Customer.
- (4) This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.
- (5) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source

EXPLANATORY NOTES (continued)

- (6) Where two or more luminaires were installed for service before November 18, 1991 on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.75.
- (7) Wood poles longer than 40 feet or structures other than standard wood poles may be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the requested pole or structure and a standard wood pole, but not less than \$5.35 per month per pole or structure.
- (8) Luminaire locations shall be designated by the Customer, and where only an extension of secondary facilities is required from the nearest distribution source, the rate per luminaire in (A) above shall apply. When the number of required poles exceeds the number of luminaires requested, a monthly charge not less than \$1.75 per standard wood pole shall be made for luminaires installed for service before November 18, 1991. A monthly charge not less than \$5.70 per standard pole shall be made for luminaires installed for service after November 18, 1991. When any installation requires an extension of primary facilities solely to serve the luminaires, an additional monthly charge equal to 1.7% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 60 cents per month per guy shall be made.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated by the Company as standard and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated by the Company as decorative or nonstandard, and for all standard luminaires mounted on supports other than standard wood poles, and for primary extensions solely serving the luminaires.

SCHEDULE OL (SC)
OUTDOOR LIGHTING SERVICEAVAILABILITY (South Carolina Only)

Available to the individual customer for lighting of private outdoor areas at locations on the Company's distribution system. Service under this Schedule may be withheld or discontinued at the option of the Company.

RATE:(A) Bracket-Mounted Luminaires

All-night outdoor lighting service using Company standard equipment mounted on standard poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire*</u>		
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (1)</u> *Plus 0.1233 cents/kWh	<u>New Pole</u> *Plus 0.1233 cents/kWh	<u>New Pole Served Underground</u> *Plus 0.1233 cents/kWh
High Pressure Sodium Vapor					
4,000	21	Post Top (2)	NA	NA	\$13.00
9,500	47	Suburban (3)	\$ 7.35	\$13.05	\$17.10
9,500	47	Urban	\$ 8.50	\$14.20	\$18.25
13,000	56	Suburban (6) (in suitable mercury fixture)	\$ 8.00	NA	NA
16,000	70	Urban	\$ 8.80	\$14.50	\$18.55
27,500	104	Urban	\$10.25	\$15.95	\$20.00
50,000	156	Urban	\$12.05	\$17.75	\$21.80
Metal Halide					
9,000	43	Urban	\$ 9.99	\$15.71	\$19.78
40,000	155	Urban	\$14.95	\$20.65	\$24.70
110,000	395	Area	\$48.55	\$56.05	\$60.10
Mercury Vapor** (Closed to new installation)					
4,000	41	Post Top (2)	\$ 6.25 (4)	NA	\$13.00 (8)
4,000	41	Suburban (5)	\$ 4.85	NA	NA
4,000	41	Post Top (7)	\$ 8.10	NA	NA
4,000	41	Post Top (7)	\$10.55	NA	NA
7,500	75	Post Top (7)	\$ 9.95	NA	NA
7,500	75	Suburban (3)	\$ 6.25	\$11.95	\$16.00
7,500	75	Urban (8)	\$ 7.25	\$12.95	\$17.00
20,000	152	Urban (8)	\$ 9.40	\$15.10	\$19.15

- (1) The "Existing Pole" rate is applicable to installations, including pole, installed by November 18, 1991. After November 18, 1991, the "Existing Pole" rate is available only for luminaires attached to poles which are not installed solely to support the luminaire.
- (2) Luminaire is not available for the lighting of streets, roadways, and other vehicle thoroughfares.
- (3) Closed to new installations on or after July 1, 2005
- (4) Closed to new installations on or after November 18, 1991.
- (5) Closed to new installations on or after January 1, 1973.
- (6) Closed to new installations on or after October 8, 1985.
- (7) Closed to new installations on or after January 17, 1975.
- (8) Closed to new contracts on or after October 1, 2007 for luminaires installed before January 1, 2008

** For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be available from suppliers. When ballast replacement is required, the Company will either convert the light to another light of similar size where the fixture can accommodate metal halide ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire and wood pole in (A) above.

RATE (continued)(C) Underground Charges

- (1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
Over 150 feet	\$.07 for each increment of 10 feet, or less, over 150 feet	\$.07 for each increment of 10 feet, or less, over 150 feet

- (2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.
- (4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) for an additional monthly charge of \$4.05 per pole. For installations over 150 feet per pole, the charges under (C) (1) will apply in addition to the \$4.05 charge.

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

EXPLANATORY NOTES

- (1) Lamps will burn from approximately one half-hour after sunset until approximately one half-hour before sunrise. The Company will readily replace burned-out lamps and otherwise maintain the luminaires during regular daytime working hours following notification by the Customer.
- (2) Luminaires will be installed only on Company-owned poles, and all facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (3) Equipment (such as disconnecting switches) not supplied by the Company as standard is not available under this Schedule, and shall not be installed by the Customer.
- (4) This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.
- (5) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$1.05 per lamp per month. For luminaires installed prior to October 1, 2007 there will be no additional charge for color-improved lamps installed as replacements for clear mercury vapor luminaires, nor for color improved lamps installed in new luminaires on or after October 1, 2007.
- (6) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source.
- (7) All luminaires except the 110,000 lumen metal halide fixture will be installed on standard 30-foot, class 6 size wood poles. The 110,000 lumen metal halide fixture will be installed on standard 40-foot, class 5 wood poles. On Customer request, and for an additional charge, all luminaires, except the 110,000 lumen metal halide fixture can be installed on wood poles larger than the standard 30-foot, class 6 size, if the location permits the use of bucket-type equipment for mounting and servicing: 35-foot, class 5 pole for 25 cents per month, or 40-foot, class 5 pole for 35 cents per month. Other size poles, or structures other than standard wood poles, can be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the requested pole or structure, and the standard wood pole, but not less than \$5.35 per month per pole or structure. Brackets longer than the standard length of 30 inches, but not longer than 20 feet, can be installed where use of bucket-type equipment is permitted for an extra charge of 70 cents per month per bracket.
- (8) Where two or more luminaires were installed for service before November 18, 1991 on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.75.
- (9) Luminaire locations shall be designated by the Customer and where only an extension of secondary facilities is required from the nearest distribution source, the rate per luminaire in (A) above shall apply. When the number of required poles exceeds the number of luminaires requested, a monthly charge not less than \$1.75 per standard wood pole shall be made for luminaires installed for service before November 18, 1991. A monthly charge of \$5.70 per standard wood pole shall be made for luminaires installed for service after November 18, 1991. When any installation requires an extension of primary facilities solely to serve the luminaires, an additional monthly charge equal to 1.7% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 60 cents per month per guy shall be made.
- (10) "Suburban" luminaires are defined as standard NEMA-style fixtures with refractors and vertical-burning lamps. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of one (1) year to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) One year for all luminaires installed at a residence and designated by the Company as standard, post top and bracket-mounted on standard poles.
- (b) Three years for all luminaires not installed at a residence and designated by the Company as standard, post top and bracket-mounted on standard poles.
- (c) Ten years for all luminaires designated by the Company as decorative or nonstandard, and for all standard luminaires mounted on supports other than standard wood poles, for non-standard luminaires or other non-standard supports, and for primary extensions solely serving the luminaires.

SCHEDULE PL (SC)
STREET AND PUBLIC LIGHTING SERVICEAVAILABILITY (South Carolina Only)

Available for the purpose of lighting streets, highways, parks and other public places for Municipal, County State, and Federal Governments, at locations inside or outside municipal limits on the Company's distribution system. This Schedule is not available for service to non-governmental entities.

RATE:(A) Bracket-Mounted Luminaires

All-night street lighting service using overhead conductors and Company standard equipment mounted on standard wood poles:

Lamp Rating			Per Month Per Luminaire*	
Lumens	kWh Per Month	Style	Inside	Outside
			<u>Municipal Limits</u>	<u>Municipal Limits</u>
			* Plus 0.1233 cents/kWh	* Plus 0.1233 cents/kWh
High Pressure Sodium Vapor				
9,500	47	Suburban (1)	\$ 6.65	\$ 7.05
9,500	47	Urban	7.80	8.20
13,000	56	Suburban (2) (in suitable mercury fixture)	7.35	7.75
16,000	70	Urban	8.15	8.55
27,500	104	Urban	9.55	9.95
38,000	136	Urban (3) (in suitable mercury fixture)	10.25	10.65
50,000	156	Urban	11.40	11.80
140,000	391	Urban (installed on 55-foot wood pole)	23.20	23.60
Metal Halide				
40,000	155	Urban	\$ 14.30	\$ 14.70
Mercury Vapor ** (Closed to new installations)				
4,000	41	Suburban (1)	\$ 4.20	NA
4,000	41	Post Top (4)	7.45	\$ 7.85
4,000	41	Bracket (5)	NA	4.60
7,500	75	Post Top (4)	9.30	9.70
7,500	75	Suburban (1)	5.60	6.00
7,500	75	Urban (6)	6.60	7.00
20,000	152	Urban (6)	8.75	9.15
55,000	393	Urban (6)	16.95	17.35

(1) Closed to new installations on or after July 1, 2005

(2) Closed to new installations on or after February 18, 1987.

(3) Closed to new installations on or after November 18, 1991.

(4) Closed to new installations on or after January 17, 1975.

(5) Closed to new installations on or after June 30, 1972.

(6) Closed to new contracts on or after October 1, 2007 for luminaires installed before January 1, 2008

** For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be reasonably available from suppliers. If a ballast replacement is required, the Company will either convert the luminaire to another luminaire of similar size and lumen output where the luminaire can utilize reasonably available compatible ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated installed cost difference between the luminaire and structure requested, and, the equivalent luminaire and standard pole.

(C) Underground Charges

(1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
0 – 100 feet	\$.50	\$.35
101 – 200 feet	\$.90	\$.75
Over 200 feet	\$.90 plus \$.07 for each increment of 10 feet, or less, over 200 feet	\$.75 plus \$.07 for each increment of 10 feet, or less, over 200 feet

(2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the monthly charges above.

(3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

EXPLANATORY NOTES

- (1) The installation of bracket-mounted luminaires in (A) above includes the Company's 40-foot, standard wood poles.
 - (a) Wood poles longer than 40 feet, or structures other than standard wood poles, may be installed for an extra monthly charge equal 1.7% of the estimated installed cost difference between the luminaires and structures requested, and equivalent luminaires and standard poles, and such extra charge shall not be less than \$5.35 per month, per pole or other structure.
 - (b) The Company's standard metal street lighting pole may be installed for an extra monthly charge of \$5.35 per month, per pole.
 - (c) The Company's standard metal mast-arm pole may be installed for an extra monthly charge of \$5.35 plus 1.7% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole, per month, per pole. The standard metal mast-arm pole may be installed without a luminaire for a monthly charge of \$7.10 plus 1.7% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole.
 - (d) Standard wood poles and guys may be provided at the same charges as in (3) below when provided solely to support traffic signals.
- (2) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source. There will be no extra charge for underground conductors to luminaires installed in areas where the Company at its own option has determined that underground distribution facilities should be installed.
- (3) For areas outside municipal limits: Location of the luminaire or luminaires in areas outside of municipal limits shall be designated by the Customer but the location must be within the distance which can be reached by a secondary extension from the Company's nearest distribution facilities. Should the number of poles in the secondary extension required to serve the luminaire(s) exceed the number of poles on which bracket-mounted luminaires are installed, a monthly charge of \$1.75 per pole shall be made for such excess number of poles. Should the installation include downguys or spanguys, a charge of \$.60 per month per guy shall be made. When the installation requested requires a primary extension solely to serve the luminaires, an additional monthly charge of 1.7% of the estimated cost of the primary extension will be made.
- (4) All facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (5) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$.70 per lamp per month. For luminaires installed prior to October 1, 2007 there will be no additional charge for color-improved lamps installed as replacements for clear mercury vapor luminaires, nor for color improved lamps installed in new luminaires on or after October 1, 2007.
- (6) When two or more luminaires are installed on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.75.
- (7) "Suburban" luminaires are defined as standard NEMA-style fixtures with refractors and vertical-burning lamps. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated as standard by the Company and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated as decorative or nonstandard by the Company, and for all standard luminaires mounted on supports other than standard wood poles, and for primary extensions solely serving the luminaires.